



Sage Telecom, Inc. 805 Central Expressway South, Suite 100, Allen, TX 75013 214-495-4700 www.sagetelecom.net

December 6, 2004

VIA ELECTRONIC FILING

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Unbundled Access to Network Elements*, WC Docket No. 04-313; *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, CC Docket. No. 01-338

Dear Ms. Dortch:

Pursuant to Section 1.1206(b) of the Commission's rules, Sage Telecom, Inc. ("Sage") submits via electronic filing this written *ex parte* statement in the docketed rulemaking proceedings listed above.

Sage is one of the few CLECs that focuses on serving residential dial-tone customers in primarily rural and suburban markets. In the eleven states in which Sage currently operates, Sage serves more than 500,000 customers and has more than 550,000 lines in service.

Sage is committed to serving its customers and to growing its business in an environment of certainty. That commitment led Sage to achieve the nation's first commercial agreement with a Bell Operating Company for wholesale local phone services, an agreement with SBC Communications' incumbent LECs ("SBC").

On April 5, 2004, the first business day following Sage's joint announcement with SBC, both Chairman Powell and Commissioner Abernathy issued news releases praising the successful efforts of the two companies. In his release, Chairman Powell cited hopes that mirror those of Sage, "that America's telephone consumers have the certainty they deserve." And Commissioner Abernathy indicated that "[c]onsumers will be the winners if companies devote their resources to competing in the marketplace, rather than in the courtroom."

Sage's service objectives are not limited to the operating areas of SBC. In the future, Sage hopes to achieve voluntary commercial agreements with other incumbent LECs and to introduce its competitive products to residential consumers mainly in rural and suburban areas throughout the United States. As a pioneer of ILEC/CLEC commercial contracts, Sage has a unique appreciation of the positive and pro-competitive role such agreements can play. Sage therefore

Ms. Marlene Dortch
December 6, 2004
Page 2

encourages the Commission to, through its permanent UNE rules, codify the role of such agreements by stressing the need for incumbents to respond in good faith to requests for commercial negotiations, and for all parties to fully execute all of their negotiated commitments. Such action will help ensure that primarily single-line residential consumers can always have a choice.

The Commission should also highlight in its Order that the Mediation process conducted by its Enforcement Bureau will continue to be available to assist requesting parties in reaching commercial agreements and in resolving any ambiguities that may arise after such agreements are reached.

Please feel free to contact me with any questions.

Sincerely,



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Attachments – April 5, 2004 News Releases of Chairman Powell and Commissioner Abernathy

cc: (via e-mail)
Honorable Michael K. Powell
Honorable Kathleen Q. Abernathy
Honorable Jonathan S. Adelstein
Honorable Michael J. Copps
Honorable Kevin J. Martin
Christopher Libertelli
Matthew Brill
Scott Bergmann
Daniel Gonzalez
Jessica Rosenworcel
Jeff Carlisle
David Solomon



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE
April 5, 2004

NEWS MEDIA CONTACTS
Richard Diamond, 202-418-0506
Michael Balmoris, 202-418-0253

FCC CHAIRMAN MICHAEL POWELL'S COMMENTS ON SBC'S COMMERCIAL AGREEMENT WITH SAGE TELECOM CONCERNING ACCESS TO UNBUNDLED NETWORK ELEMENTS

Washington, DC – “This is an encouraging sign that companies have taken the Commission’s call for negotiations to heart. And more importantly, this demonstrates that commercial, market-based agreements can be accomplished. I hope this paves the way for further negotiations and contracts—so that America’s telephone consumers have the certainty they deserve.”

- FCC -



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FOR IMMEDIATE RELEASE
April 5, 2004

NEWS MEDIA CONTACT:
Matthew Brill (202) 418-2400

**COMMISSIONER ABERNATHY APPLAUDS SBC COMMUNICATIONS AND SAGE
TELECOM FOR REACHING A COMMERCIAL AGREEMENT GOVERNING
ACCESS TO UNBUNDLED NETWORK ELEMENTS**

Washington, DC — Commissioner Abernathy issued the following statement today:

“I am extremely pleased by the announcement that SBC Communications and Sage Telecom, a UNE-P provider, have reached a commercial agreement that will govern Sage’s use of SBC’s network over the next seven years. I applaud the parties for coming to the bargaining table in good faith. Such negotiations require both sides to accept an outcome that does not satisfy all of their objectives, and these companies deserve credit for working hard to find common ground and overcome their differences.

This agreement illustrates that searching for compromise is a worthwhile endeavor. I hope that incumbent LECs and competitors will soon reach additional agreements that narrow the range of disputed issues and eliminate the need for continued litigation. Consumers will be the winners if companies devote their resources to competing in the marketplace, rather than in the courtroom.”

- FCC -